

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, NIET BUSINESS SCHOOL GREATER NOIDA

(An Autonomous Institute Affiliated to AKTU, Lucknow)

Global PGDM

TRIMESTER: III - THEORY EXAMINATION (2024- 2025)

Subject: Global Finance & Foreign Currency

Time: 2.5 Hours

Max. Marks: 60

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of **three Sections -A, B, & C**. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.

2. Maximum marks for each question are indicated on right -hand side of each question.

3. Illustrate your answers with neat sketches wherever necessary.

4. Assume suitable data if necessary.

5. Preferably, write the answers in sequential order.

6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION-A

15

1. Attempt all parts:-

1-a. The role of multinational corporations in global finance is (CO1)

1

- (a) They facilitate international trade
- (b) They stabilize exchange rates
- (c) They regulate global financial markets
- (d) They provide financial aid to developing countries

1-b. The institution is responsible for setting global standards and regulations for the banking industry.....(CO2)

1

- (a) World Trade Organization (WTO)
- (b) International Monetary Fund (IMF)
- (c) Bank for International Settlements (BIS)
- (d) Organization for Economic Cooperation and Development (OEC

1-c. The currency pair in the Foreign Exchange Market is (CO3)

1

- (a) A combination of two different currencies traded against each other.
- (b) A financial instrument used for trading commodities.
- (c) A type of investment vehicle offered by hedge funds.
- (d) A unit of currency issued by a central bank.

1-d. Describes the concept of export credit insurance is (CO4)

1

- (a) It ensures exporters against fluctuations in exchange rates.

- (b) It provides loans to importers for purchasing goods from exporters.
- (c) It protects exporters against the risk of non-payment by foreign buyers.
- (d) It reimburses exporters for transportation costs
- 1-e. The legislation replaced the Foreign Exchange Regulation Act (FERA) in India with (CO5) 1
 - (a) Foreign Direct Investment (FDI) Act
 - (b) Foreign Exchange Management Act (FEMA)
 - (c) Securities Contracts (Regulation) Act
 - (d) Competition Act
- 2. Attempt all parts:-
- 2.b. Give any two importance of Global Finance. (CO1) 2
- 2.a. Explain any two objectives of IMF.(CO2) 2
- 2.c. Write any four the advantages of the forex market .(CO3) 2
- 2.d. Write any three benefits of export credit for exporters.(CO4) 2
- 2.e. Explain any two purpose of the Foreign Exchange Management Act (FEMA).(CO5) 2

SECTION-B

15

3. Answer any three of the following:-

- 3-b. Define Global Finance. Explain its nature. (CO1) 5
- 3-a. The Global financial institutions promote economic Stability. Explain it.(CO2) 5
- 3.c. Describe the structure of the foreign exchange market, including its different participants. (CO3) 5
- 3.d. Explain differences between EXIM Bank and commercial banks in terms of their services and objectives. (CO4) 5
- 3.e. Describe the regulations of Reserve Bank of India (RBI) for foreign exchange transactions.(CO5) 5

SECTION-C

30

4. Answer any one of the following:-

- 4-a. Explain the macro-political factors which are influencing global financial markets and investment decisions.(CO1) 6
- 4-b. Explain the strategies for enhance long-term trends and investment opportunities in global finance.(CO1) 6

5. Answer any one of the following:-

- 5-a. Analyze the potential risks and benefits of rapid financial integration for a developing country. (CO2) 6
- 5-b. Propose a strategy for improving communication and coordination between different departments within the IMF. (CO2) 6

6. Answer any one of the following:-

- 6-a. Advancements in technology, such as electronic trading platforms, impacted the structure and efficiency of the forex market. Explain it.(CO3) 6
- 6-b. Discuss the role of the foreign exchange market in managing currency risk for businesses and investors. (CO3) 6
7. Answer any one of the following:-
- 7-a. Compare and contrast the benefits and limitations of export credit financing with other forms of trade finance, such as letters of credit.(CO4) 6
- 7-b. Describe the primary objectives and functions of the Foreign Exchange Dealers Association of India (FEDAI). (CO4) 6
8. Answer any one of the following:-
- 8-a. A manufacturing company in India has secured a contract to export goods to several countries. Outline the steps the company needs to take to ensure compliance with foreign exchange regulations during the export process. (CO5) 6
- 8-b. Discuss the role and responsibilities of Authorized Dealers (ADs) as per RBI guidelines of foreign exchange transactions.(CO5) 6

COP:JULY_DEC-2024